



UNITED STATES ENVIRONMENTAL PROTECTION AGENCY

SFUND RECORDS CTR

72868

REGION IX

75 Hawthorne Street
San Francisco, CA 94105-3901

December 12, 1997

Peter R. Taft, Esq.
Munger, Tolles & Olson
355 South Grand Avenue, 35th Floor
Los Angeles, CA 90071-1560

Re: San Gabriel/Baldwin Park;
Day & Night Manufacturing Company

Dear Peter:

Earlier this year perchlorate contamination was discovered in the Baldwin Park Operable Unit of the San Gabriel Valley Superfund Sites ("BPOU"). The U. S. Environmental Protection Agency ("EPA") has determined that the Azusa facility of your client, Aerojet General Corporation ("Aerojet"), is a source of the perchlorate contamination and, accordingly, Aerojet is a potentially responsible party ("PRP") for the response actions and response costs necessary to address that contamination at the BPOU. Aerojet contends that a company known as Day & Night Manufacturing Company ("Day & Night"), through one or more potential successor corporations, should also be named as a PRP for the perchlorate contamination. The purpose of this letter is to respond to the information and contentions regarding Day & Night that Aerojet has submitted to EPA to date.

Aerojet has submitted various pieces of information to EPA regarding the Day & Night facility in Azusa, including your letters (with enclosures) of July 23, 1997, July 29, 1997, September 19, 1997, October 15, 1997, and November 20, 1997. EPA has reviewed this information. In addition, EPA has had discussions with Aerojet regarding the Day & Night matter, both through telephone conversations that you and I have had and through face-to-face meetings at EPA's offices in Region IX.

Based on the information reviewed to date and in light of the criteria that EPA has used in naming PRPs at the BPOU, EPA at the present time has not concluded that it should name Day & Night as a PRP. While the information Aerojet has submitted establishes that Day & Night used perchlorate at its Azusa facility, EPA would like to explore further the evidence of a release of perchlorate to soil or groundwater from Day & Night's facility. In naming PRPs at the BPOU, EPA has typically required evidence of a release of a contaminant of concern and evidence

that the release has had a substantial impact on groundwater. Such evidence can take the form of documents or witness statements indicating that spills occurred or subsurface sampling that establishes that contamination beneath the facility has had a substantial impact on groundwater.

With respect to Day & Night, we have evidence that the company used perchlorate in its manufacture of photoflash bombs and flares from approximately 1942 through 1945. We also have documents from the Ordnance Department of the Army and from the War Department describing the procedures to be followed in the event of spills of the powder (which would have contained perchlorate) used in the manufacture of those bombs and flares. It would be helpful to have, however, specific evidence that spills occurred during manufacturing. Similarly, it would be valuable to have sampling data from a portion of the existing facility (a) that would have been used only for Day & Night operations and (b) that shows perchlorate contamination in the soil.

Aerojet has provided EPA with information regarding an explosion of waste material from Day & Night that occurred in May 1943 in a rock quarry (believed to be the Kincaid Pit) adjacent to the facility. While this information is potentially relevant, it raises the question whether the combustion process burned all of the material or whether, and to what extent, perchlorate residue would have remained and entered the soil and eventually the groundwater.

As is evident from the above discussion, EPA believes that certain additional information would be helpful in determining whether Day & Night is potentially responsible for perchlorate contamination at the BPOU. This information is as follows:

(1) Has Aerojet spoken with any former employees of Day & Night? If so, what information do these former employees have regarding Day & Night's waste disposal practices.

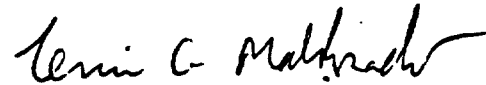
(2) Can Aerojet identify a portion of the existing facility at which Day & Night, but not Aerojet, conducted manufacturing or testing activities and at which disposal of perchlorate may have occurred? If so, has Aerojet obtained soil sampling data from such locations to determine whether any perchlorate contamination is present?

(3) Does Aerojet have any data or other information on the completeness of the combustion process when perchlorate is burned in the manner likely to have occurred at the Day & Night facility? In other words, what residue of perchlorate would typically remain after combustion?

(4) Does Aerojet have any data or other information regarding what quantities of perchlorate typically escape into the work area during normal manufacturing and cleaning operations?

Please let me know whether Aerojet has information relating to any of the above subjects. If you have any questions regarding the contents of this letter, please feel free to telephone me at (415) 744-1342.

Sincerely,

A handwritten signature in dark ink, appearing to read "Lewis C. Maldonado". The signature is fluid and cursive, with a long horizontal stroke at the end.

Lewis C. Maldonado
Assistant Regional Counsel

cc: Robert R. Klotz